

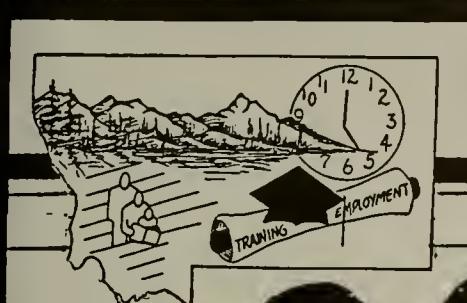
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## FAIM NEWSLETTER

SUMMER 1996  
VOLUME 3 ISSUE 2



# FAIM OFF TO A SUCCESSFUL START

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Peter S. Blouke, Ph.D.  
Department of Public Health and Human Services Director

Since this is to be the last issue of the FAIM newsletter, I would like to take this opportunity to congratulate everyone who has worked so hard to make welfare reform in Montana such a success. For me, both the process and product of FAIM demonstrate government working at its best.

Going back three years to the very beginning of welfare reform, staff were able to take an objective look at the programs we administered and admit that what we were doing then was not working. A task force was created by Governor Racicot with broad representation by those directly impacted by the welfare system, as well as representatives from the general public. Over a year was spent defining what we wanted welfare to accomplish, establishing the fundamental values of our welfare system, designing a system to meet those values and putting together the necessary federal waivers. Throughout, it was an open, participatory, public process.

As a result, FAIM is a welfare reform project that truly does reflect the ideas and values of Montana citizens. It is also the most comprehensive welfare reform project in the nation. The breadth of support for FAIM was clearly demonstrated during the last legislative session when there were only two votes against FAIM out of 150 legislators. This was an incredible feat when one considers how decisive and emotional an issue welfare is between liberals and conservatives, even within each political party.

Although they were major tasks, designing FAIM, getting the proposal through the legislature, and acquiring the necessary federal waivers were just the first steps. A tremendous amount of work remained in working out the details of how the proposal would be turned into reality. Certainly the FAIM Team was the focus of this effort and performed yeoman duty; but there was also a lot of work done at the county level. While there were obstacles and frustration, there was also a tremendous amount of cooperation, commitment, and dedication by everyone involved in making FAIM a success.

For our participants, I believe FAIM will also prove to be a tremendous success. The basic concept of welfare is sound: The state should provide assistance to people in need. Unfortunately, over the last 10 to 15 years, our welfare system evolved into a dependency trap for too many people. The focus of FAIM is on individual growth, personal responsibility, and self-sufficiency. For those who can achieve these goals (and I believe the vast majority can), FAIM will assist in that process. For those who can not achieve full self-sufficiency (and there will always be some), FAIM will continue to provide support.

As I meet with county office staff where FAIM has been implemented, I have also noted a sense of pride and enthusiasm in the value of the work staff are doing to help participants become self-sufficient. The opportunity to interact with and to assist clients in developing a meaningful Family Investment Agreement is far more rewarding than issuing AFDC checks. Staff have the chance to really make profound and lasting differences in peoples' lives.

Although we are only in the beginning of FAIM implementation, all indications are that welfare reform in Montana is a real success story. My thanks and congratulations to all of you.

## How FAIM Sanction Information Sharing Works

Hank Hudson, Division of Child and Family Services Administrator

The fifty-fourth Montana legislature directed the Department of Public Health and Human Services to develop procedures to share the names of individuals sanctioned under FAIM with the family service programs responsible for child protective service work.

The purpose of this legislative directive is to coordinate the self-sufficiency programs with the family support and protective programs. Representative Beverly Barnhardt (D) of Bozeman, the sponsor of this language, stated that her goal was the well-being of the children involved in situations where a family may be served by both economic assistance and child protective programs. This notification will allow the DPHHS Child and Family Services Division to design

their services for these families with full knowledge of economic and social factors that may be affecting them.

The directive to share this information raised several important issues. First, the family service programs do not have the authority to intervene in a family's affairs based solely on its economic status. Poverty does not equate to child neglect or abuse. Second, we did not want to create the appearance or reality that the Child and Family Services Division would use Child and Protective Services (CPS) actions as leverage to force compliance with FAIM's Family Investment Agreements. The intent of the language was to allow for a coordinated approach to families in crisis in order to provide the best service possible. Finally, it was not clear what procedures would allow for an effective sharing of information.

The procedure adopted by our division will have the TEAMS system generate a list of households being sanctioned under FAIM. This list will be provided to regional administrators of family service programs. They will be responsible for identifying families who are also open CPS cases and for determining whether this information should be shared with the case worker.

It will take some time and monitoring to see if this process will be effective. The completion of the CAPS computer system this summer will assist in making this process effective. If you have additional thoughts or advise on this matter, please pass it along to a bureau chief or directly to me.



## FAIM Conversion Consultants Visit Phase Two Counties

Ed Schiebl, Welfare Reform Specialist

Phase Two FAIM implementation began May 1 in Yellowstone, Missoula, Mineral, Blaine, Chouteau, Hill, Liberty and Ravalli counties. FAIM conversion consultants made on-site visits to these counties, just as they had to Phase One counties previously.

These on-site visits serve several purposes. First, they provide the opportunity for technical assistance, TEAMS help and interviewing suggestions. Second, they allow consultants the chance to observe the culture change within the offices, i.e. physical and philosophical changes. Finally, and perhaps most importantly, the on-site visits provide an opportunity for conversion consultants to extend some moral support and hearty accolades for those diving head first into welfare reform.

The visits vary in content for each county, as the consultants work very closely with the county director to assure maximum and specific assistance is provided. When implementation is completed early next year, it is hoped a follow-up round of visits can be scheduled to observe the success the FAIM program has achieved over the course of the first year, while continuing to assist in any manner necessary to achieve successful welfare reform in Montana.



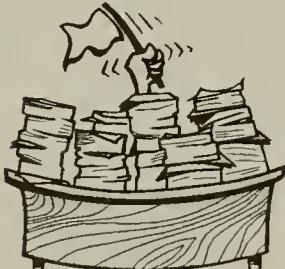
# FAIM Statewide Advisory Council News

Marla Schreder, SAC Chairperson

The FAIM Statewide Advisory Council (SAC) has been very busy reviewing county operating plans in advance of its monthly meetings. At the meetings, review groups consolidate their questions and then meet with their local county director to obtain clarification. The review teams then make their recommendations to the full council.

Reviewing the plans and meeting with the county directors has been an enlightening and rewarding experience. We have been so impressed with the quality of the plans and the enthusiasm of the county directors and their staffs. We have also learned a lot about the FAIM program. The plans we have reviewed have been full of innovative ideas for helping people attain self-sufficiency. They also reflect a great deal of work and coordination in the local communities.

The FAIM SAC would like to commend and thank county directors and their staffs for their fine work and support of this exciting welfare reform program. Because of their dedication and commitment, we are confident FAIM will be a success.



## New VIPRS System Speeds Child Support Payment Processing

Susan Ramsey, Project Manager  
Child Support Enforcement Division

Some innovative technology has been implemented to speed child support payment processing in Child Support Enforcement Division's (CSED) Technical Accounting and Payment Processing (TAPP) unit. TAPP has seen the number of payments it processes steadily increase. For example, in December of 1991, about 8,500 payments were processed for an average per day of 425 payments. In December of 1995, nearly 14,000 payments were processed. The daily total was about 700. To keep up with this increase, a new electronic cashiering system was implemented this January. The Very Intelligent Payment Recognition System (VIPRS) allows CSED to process payments more efficiently.

The entire payment process is now in one location instead of being divided between the fiscal office and CSED. Because the entire process is at CSED, the mail is delivered directly to TAPP first thing in the morning. The procedure works like this: All envelopes

must be linked to the correct participant. If this account number is already on the system, the computer will display name and participant information. If all of the information is correct, the account will be entered and the payment will be processed.

The check is then inserted into the endorsing machine. This machine automatically prints the endorsement, batch number of the payment and other identifying information on the back of the check. A backup document is also printed at this time. When the batch is completed, the system prints a batch receipt. The checks and receipts are then forwarded to the State Treasurer.

This electronic process consolidates several steps of the prior payment processing system. It also decreases the need to photocopy documents and thus decreases the amount of space needed to store backup documents.

Child support payments have increased steadily since VIPRS was implemented. From implementation in January through the end of May, nearly 84,000 payments were posted. In April of 1996, CSED had record collections of over 3 million dollars. Collections for June of 1996 may even reach 3.8 million dollars. In May 1996, over a million dollars was collected on AFDC cases. The collections for the Job Supplement (JSP) cases were \$6,906; collections for the Pathways cases were \$36,221. These collections directly benefit FAIM families.

Cindy Dean, supervisor of the payment processing unit stated, "The efficiency of the new VIPRS system has allowed us to maintain our payment turnaround time, even though the number of payments continues to increase."

TAPP employee Andy Hyatt summed it up well. She said, "As we post payments, we always try to remember that these payments are for the children."



## INTRODUCING

### **Karlene Leonard,**

Bureau Chief  
Public Assistance Bureau

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Helena, MT 59620

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Karlene Leonard was selected as bureau chief of the Public Assistance Bureau in March. The bureau is responsible for the administration of Montana's welfare reform program, "Families Achieving Independence in Montana" (FAIM), which includes Job Opportunities and Basic Skills (JOBS). Eligibility determination services for AFDC, Food Stamps and Medicaid benefits are also part of the bureau's responsibilities.

Prior to coming to DPHHS, Karlene was the manager of the Helena Job Service Center, where she worked for 17 years. Her goals for the bureau include: successful statewide

implementation of FAIM; an emphasis on customer service to the field; and support of the department's goal toward decentralization.

Karlene received her degree in social work from the University of Idaho and worked as a child protective services social worker in Cascade County for four years before moving to Helena. She enjoys outdoor activities with friends and family in her free time.



**Hall of FAIM**  
Kim Brown, Welfare Reform Specialist

In this section of the newsletter, we spotlight counties, staff and/or participants who exemplify the FAIM culture change and our new way of doing business.

This time, we would like to honor both staff and participants in the Phase One and Phase Two counties for the amazing number of diversions they have already helped to create. (Diversions include those requesting case closure, those who voluntarily withdraw applications, and those who choose the Job Supplement Program over cash assistance.) County office employees---from the receptionists all the way to the county directors---have successfully educated recipients about the alternatives to AFDC financial assistance available under FAIM. Participants have boldly chosen to try those alternatives in the hopes of achieving self-sufficiency for themselves and their families.

Based on initial county reports, the following numbers of diversions had already been achieved as of May 1:

**Phase One Counties (*Began implementing FAIM 2/1/96*):**

Silver Bow:	23	Beaverhead:	14
Jefferson:	2	Park:	22
Broadwater:	12	Meagher:	no change
Valley:	14	Phillips:	11

## **Phase Two Counties (*Began implementing FAIM 5/1/96*):**

Yellowstone:	42	Hill/Liberty:	47
Chouteau:	1	Blaine:	5
Missoula:	52	Mineral:	12
Ravalli:	42		

*(Editor's note: these numbers are based on an informal survey of county offices and should be taken as such. The University of Montana FAIM Evaluation will collect statistically valid data with which the project's success can be scientifically measured---but we wanted to share this early information with our readers.)*

Congratulations to the staff and participants in these 16 counties and welcome to the Hall of FAIM! Working together, we can make welfare reform a success for all Montanans.

## **Eligibility Process Evaluation Committee Continues to Meet**

Karlene Leonard, Public Assistance Bureau Chief

My very first assignment with DPHHS was to take on the Eligibility Process Evaluation (EPE) project as chair of the committee. The purpose of this evaluation was to identify ways to save eligibility workers time so they can spend more time with their FAIM participants. Little did I know it would be such a hot topic of discussion over the months as FAIM was implemented, other financial demands arose, and entities outside Child and Family Services Division began looking at this appropriation as a little "pot of gold".

Since I came into the EPE project sometime after it had been drafted, funded and implemented, I have depended on Bob Mullen and Wanda Stout, as well as EPE Committee members to share with me how the original money was spent. Bob indicates that originally there was \$773,732 in EPE monies. Of that, \$255,000 was set aside for EPE and \$320,000 was set aside for the FAIM evaluation contract. The rest has been spent on FAIM-supported changes or activities, or is still in the budget unspent.

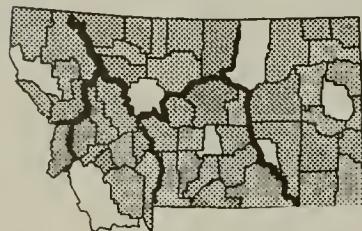
Of the \$255,000 which was in the EPE pot of money when I became chair of the EPE Committee, \$60,000 has been spent on the Resource and Referral contracts; \$50,000 was spent on computer-based training; and \$100,000 has been reserved to be added to the costs of the computer upgrades all across the state. (It is now anticipated that \$80,000 will be all that is necessary to contribute to cover the computer upgrade costs). As originally budgeted, it would have left about \$39,000 in the pot which was spent on small equipment, such as laser printers for Family Investment Agreements, TV/VCR's for county offices to show FAIM orientation videos, file cabinets, a video camera, some resume software, a tape

recorder, two shredders and some fax machines. The equipment purchased was intended to make offices more efficient, ease workload and support FAIM. The total for small equipment came to \$49,996.

Next year, we anticipate having more money than we did this year. We need to begin planning for its use. Some of the suggestions made so far include: getting LANS out to all counties so we can all use ZipOffice, send WordPerfect documents and share other programs; upgrade software; and look at other time savers. It will be the responsibility of the EPE Committee to look at re-prioritizing those time savers which have not yet been completed from the original EPE study, and/or to add new ones.

Members of the EPE Committee are: George Shanley, Jon Gardner, Jim Fay, Betty Mueller, Nancy Ambrose, Wanda Stout, Linda VanDiest and Karlene Leonard. Bob Mullen, DPHHS Addictive and Mental Disorders Operations Bureau Chief, is a regularly invited guest.

If you have ideas for next year's EPE allocation, or have questions about EPE, please contact Karlene Leonard at (406) 444-1917, or any of the committee members.



## FAIM REGIONAL UPDATES

### REGION I Sue Matthews:

Valley and Phillips Counties continue to sail along as our guiding "mother ship" in Region I's continued preparation for FAIM implementation. Linda Nybakken, Valley/Phillips County Director, has been a wealth of knowledge for us all and we are most appreciative. She will be playing host to Blaine County and Richland County for an on-site visitation by staff to get a first hand look at how FAIM is actually working.

All of those counties scheduled for implementation in October have their Community Advisory Councils (CAC) operating full force. Custer County will serve as the main CAC for the five county combination, with mini councils in each of the four outlying counties. Negotiations are also currently underway to expand the JOBS program into these outlying counties, which will greatly enhance the overall service delivery to clients in those areas and maximize the FAIM effort.

Through the use of our Corrective Action Team meetings and our Area Management Team meetings, we are allocating a significant portion of our agendas to FAIM training, idea sharing, and collective brainstorming.

We all seem to be heading "full steam ahead" in the quest for FAIM!

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### **"FAIM's Version of Welfare Reform Better Than Expected"**

Taken from *The Phillips County News*, April 10, 1996.

"Families Achieving Independence in Montana" (FAIM), Montana's version of welfare reform, implemented in February 1996 in Phillips County, is going even better than expected, reports Linda Nybakken, County Director.

June Cornell and Rosie Bednarczyk, local FAIM Coordinators, have converted about one-fifth of their caseloads during the first two months of implementation.

Rosie Bednarczyk reports that two of her families' cases closed due to their earnings. Two other families chose not to receive any benefits at all, as they didn't want to participate in the Family Investment Agreement (FIA).

June Cordell says that she's pleased with the participants overall enthusiasm about FAIM. One local mom exceeded the requirements agreed upon in her Family Investment Agreement. As a result, she recently obtained a part-time job she likes and she will leave soon for some out-of-state training to enhance her job qualifications.

The two FAIM Coordinators reported that six families have requested that their Aid to Families with Dependent Children (AFDC) money payment be stopped and these six households are now only receiving Food Stamps, Medicaid or a combination of Food Stamps and Medicaid.

Staff working on implementation of FAIM are enthusiastic and pleased, as they are finding that the majority of families they're working with are working very hard to achieve self-sufficiency.

## **REGION II**

Tim Whitney:

FAIM IS HERE! Hill, Blaine, Liberty and Chouteau county staffs began converting cases to FAIM in April. Each day has been a learning experience. Problems are being identified and dealt with that were not anticipated, but staff and participants appear to be surviving the change quite well.

Chouteau County is the only county converting that is a "non-JOBS" county. Thus, those resources that are available in "JOBS" counties that have been developed by JOBS contractors (such as AWEP sites) are not available at the present time in Chouteau County, but they are being developed.

In Blaine County, Fort Belknap continues to be a challenge, as anticipated, due to its remoteness, high unemployment rate, and overall lack of resources. The local CAC is working on overcoming the barriers of those participants who reside at Fort Belknap. Child care and transportation appear to be two of the major obstacles. Committees have been formed to address these issues.

Hill County is having considerable success in diverting households. Early indications suggests that the Job Supplement Program is going to be a very attractive program to participants.

Overall, FAIM implementation is progressing quite well, although we are still in the early stages.

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## **REGION III** Darlene Miller:

Pondera, Teton and Toole Counties' Community Advisory Councils have had a couple of meetings each. There are some really good members on each council who are working hard and coming up with some good ideas. One member from Job Service stated that the Department of Labor /Industry recently came out with four videos on job readiness that might be useful to us. The JOBS Operator/Case Manager form Glacier County gave a presentation at the suggestion of council members at the last Pondera Community Advisory Council.

The AmeriCorps volunteer is busy with the councils, committees and compiling the resource directory, since her time with AmeriCorps ended July 19. They are looking at applying for another AmeriCorps grant for the next program year to have that person set up classes for FAIM participants and find volunteers to teach the classes.

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Donna Pike:

I would like to thank Region II's County Directors---Darlene, George and Tim, as well as Nancy from JOBS for all the articles they have written for Region II report section of the newsletter. Without them, there wouldn't have been any news from up north!

## **REGION IV** MaryKay McGinnis:

In January 1996, Beaverhead County had 68 cases receiving AFDC. FAIM was implemented on February 1, requiring each household receiving cash assistance (the Pathways Program option) to formulate a plan for self-sufficiency and commit to a minimum of 10 hours of activities to achieve that plan. Participants have the choice of relinquishing the Pathways option (receiving a cash grant) for specific services, such as day care or medical assistance. This option is called the Job Supplement Program (JSP).

At the end of March 1996, there were 56 cases receiving cash assistance. Ten households had selected the JSP option. This 12 household case reduction represents a 17% decrease in the caseload from January through March, 1996.

Twenty cases have been converted to FAIM and remain open. An additional 46 cases had appointments during April, May and June to see their FAIM Coordinators and be converted.

For comparison, the AFDC caseload in Beaverhead County was 88 in January 1995 and 85 in March 1995. This represents a 3% decrease for the same months in 1996 a 17% decrease was realized.

This 17% decrease represents a monthly average savings of \$4,224. If no more savings are achieved in a year, the savings would total \$50,668. Approximately 50% of these funds are a combination of state and local dollars; the balance is a federal contribution.

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MaryKay McGinnis:

In January 1996, Silver Bow County had 613 cases receiving AFDC. FAIM was implemented on February 1 in Silver Bow County.

At the end of March 1996, there were 570 cases receiving cash assistance. Nineteen households had selected the Job Supplement Program option. This 43 household case reduction represents a 7% decrease in the caseload from January through March 1996.

As of March, 170 cases have been converted to FAIM and remain open. An additional 246 cases had appointments during April, May and June to see their FAIM coordinators and be converted.

The remaining 173 cases in Butte are "control cases" and will not be subject to FAIM rules, in order to meet federal evaluation requirements.

For comparison, the AFDC caseload was 660 in January 1995 and 698 in March 1995. This represents a 5.7% increase. For the same months in 1996, a 7% decrease was realized. This 7% decrease represents a monthly average savings of \$15,139. If no more savings are achieved in a year, the savings would total \$181,668. Approximately 50% of these funds are a combination of state and local dollars; the balance is a federal contribution.

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Juanita Mallo:

We are now into our second three months of Family Investment Agreements in Park, Meagher and Broadwater Counties. The first three months went well, with all counties diverting some clients to JSP. We have closure because clients did not want to participate in FIAs, and we've also had quite a few who found jobs and did not want any assistance.

I would say that the program is doing what it was designed to do---help people become responsible for their own lives.

We have found in all three counties that our resources for FIA activities are limited. The JOBS operator for Broadwater and Meagher counties and Career Training Institute (CTI) in Helena have offered to come out to the county and teach a job readiness class every week. They plan on bringing in guest speakers from other agencies occasionally to help with these classes. I cannot stress how important it is to work closely with your JOBS operators, as they are a wonderful resource. The coordinators from these two counties will be traveling to Helena this month to spend a day at a CTI location to experience what is offered to our clients through the JOBS program.

I do believe resources exist in the community for FIA activities. It will take time to search in our communities for these activities, and to keep our CAC volunteers and the community informed of our needs.

The local county extension agents for Broadwater and Park Counties are going to be offering weekly classes for our participants. They will be two hours long and will be offered during the day. Topics include: self esteem, goal setting, budgeting, overcoming bad credit, balancing home and work, and work ethics. If these classes go well, the extension agents will also be teaching a series of parenting classes. Hurray for community involvement!

Money for supportive services has been found in all three counties. This money had been donated by local organizations, ministerial association and JSEC. Once again, the community has come through to help us to pave the road to success for FAIM.

Good luck to all counties that have just come aboard, and the ones that are to follow.

## **REGION V** Susan Gosney:

The staff at Lincoln County have been busy giving FAIM-related presentations to different civic clubs and groups in the community. They are "planting the seed", so to speak. They have had one or two articles published in the local papers over the last six months and plan to give the press more and more information as things develop.

The staff have also been sprucing up the office for a more professional look. New items include a job seekers board and an interviewing area for participants. Community folks seem to be excited and challenged by the FAIM philosophy. Most of the leg work has yet to begin, but the community is putting out a great effort overall.

The Community Advisory meeting in April went very well. Members created several committees and the work began in earnest the first week of May.



# GUEST EDITORIAL

Roger La Voie, Field Services Manager  
Child and Family Services Division/Public Assistance Bureau

Local Community Advisory Councils will define how public child care funds for FAIM activities will be utilized within their jurisdiction. Such funding is limited and it is absolutely essential that the moneys be used in a prudent and effective manner. The purpose of this article is to question the efficacy of using public child care funds under FAIM to subsidize long-term educational endeavors and to provoke thoughtful discussion on the subject by the members of the FAIM Community Advisory Councils.

Public funding for child care under FAIM is intended to enable needy individuals, e.g., AFDC recipients, to be able to participate in gainful employment or in training/preparatory activities designed to lead to employment as soon as possible. (With one exception: the CPS child care program is designed to provide protection to children in danger of being abused or neglected.)

If we accept this premise, it necessarily leads to the possibility of creating certain parameters for the use of public child care funds. These parameters would include certain activities and exclude others. One of the areas that would be excluded would be the use of such assistance to enable a person to pursue a four-year college degree. If indeed we decide to use this funding to support college education, it would be tantamount to using public assistance to subsidize a scholarship program for college.

I propose that the use of child care funds to subsidize the completion of a protracted post-secondary education for FAIM participants is not consistent with the intent or philosophy of welfare reform, does not promote immediate employment, and paves the way for these recipients to remain on the system for a number of years.

Consider the following:

- Many Montana citizens believe that welfare is not intended to pay for people attending long-term educational activities. Rather it is seen as a short-term safety net where people actively seek immediate employment. Recent research indicates that the most effective employment and training programs are those that focus on immediate placement and employment settings rather than in the provision of long-term training activities.
- Students can oftentimes provide for their own child care needs through creative solutions. One such solution could be cooperative arrangements with other students. Such creative forms of child care would seldom be explored if the government paid for child care in the first place. It would be unwise to replace the use of creative forms of child care with public child care funding.
- Virtually all students that are eligible for welfare assistance already receive other forms of financial assistance such as Pell grants, Stafford and other student loans,

BIA assistance, etc. These other forms of financial assistance are expressly designed to pay for certain areas, one of which is child care. It would be unwise to replace these funding sources with public child care funding.

- The resources available for AFDC recipient child care are limited and must be prioritized to maximize their usage. Many believe that the best way to use these resources is to assist people who require child care in order to participate in gainful employment.
- Montana places much more emphasis on four-year education and less on two-year education than most other states. Fourteen percent (14%) of Montana's post-secondary students attend a two-year program, while 70% of California's students attend two-year institutions. Montana's labor market: 1) could use more people with two-year training and 2) can't absorb efficiently all those with four-year degrees. It oftentimes takes longer than four years to obtain a four-year degree in post-secondary education. In fact, only 10.5% of the freshman entering MSU in the fall of 1988 had graduated within 4 years. And 44.9% had graduated within 6 years. 1
- By the year 2000, nearly 80% of all jobs will require some post-secondary training in technical areas but will not require a bachelor's degree. 2
- Ninety-eight out of one hundred jobs in the year 2000 will require some computer knowledge. 2
- Education and training must be a lifelong process: today's students will be required to change jobs six to seven times in their work lives. 2
- Our economy offers more low-paying, low-skill service jobs and more high-paying jobs that require new types of skills. 3
- Nearly four out of five jobs will be in businesses that provide services--retail trade, health services and education. 2
- Bachelor's degrees are being replaced by school-to-work transition programs; students must be prepared for work environments where learning is a lifelong process that demands academic, technical and social skills. 4
- There has been a 15% increase in the number of jobs in Montana over the last five years. The biggest gains were in the construction industry with an average salary of \$609 a week. The second fastest growth industry was in retail trade, followed by the service industry. 5

In conclusion, I recommend that we concentrate our child care resources on programs and activities that are work-related and have a high probability of facilitating an immediate transition from welfare to work. The focus should be on immediate employment. The pursuit of a high school diploma or GED would be consistent with this approach.

Extended post-secondary education does not promote immediate employment, and if allowed for FAIM participants, may encourage welfare dependency for a number of years. We should therefore encourage post-secondary education for FAIM participants only as an adjunct to activities designed to secure immediate employment. Systemic resources such as child care are best used to support activities that will encourage and enable recipients to support themselves and leave the AFDC roles as soon as possible. Recipients may certainly strive on their own with the help of other non-welfare resources to complete a post-secondary education. In fact, this strategy is commendable and should be encouraged. But we must emphasize work now in the FAIM program.

1 Independent Record (October 27, 1996)

2 U.S. Department of Labor Statistics

3 Billings Gazette (January 26, 1995)

4 Concept paper on Tech Prep written by Dan Hull

5 Great Falls Tribune (March 17, 1996)



## GUEST EDITORIAL RESPONSE

Child Care and Post-Secondary Education  
Sami Jo Velez, University of Montana graduate

In reading the editorial written by Roger La Voie, I felt compelled to respond to the question, "Should the Department provide child care as a support for AFDC recipients who wish to pursue post-secondary education?" I am writing this response based upon my experience as a former welfare recipient who chose to pursue post-secondary education; based upon my experience in working directly with other low-income women; and based upon my experience in working with Missoula County's Post-Secondary Education committee developing the administrative rules of how Post-Secondary Education would be considered within Missoula County.

Those who do not support child care for AFDC recipients who pursue post-secondary education cite arguments such as:

- \* Welfare is seen as a short-term safety net where people actively seek employment.
- \* Students have Pell grants, Stafford loans, BIA assistance, etc. to use to offset their educational expenses.
- \* Students can reasonably be expected to provide for their own child care needs through creative solutions. Solutions suggested include cooperative arrangements, utilizing family and friends, etc.

- \* It oftentimes takes longer than four years to obtain a four-year degree in post-secondary education - resulting in these recipients to remain on the system for a number of years.

I understand the argument that welfare is seen as a short-term safety net where people actively seek employment. However, what is remiss in this argument is the fact that because most women on welfare earn low hourly wages, it is difficult for them to leave and stay off welfare. The goal is for self-sufficiency, yet a woman cannot provide for her family's needs on an income of minimum wage. By not taking seriously this lack of education and employment experience, and how that lack contributes to the cycle of poverty, the state is left with the phenomenon of women cycling back onto welfare. In the long run, doesn't it make sense to invest in the education and skill training of welfare recipients? It may be a longer term investment; however, the return on that investment is far-reaching which ultimately results in permanent self-sufficiency.

Individuals who are receiving welfare benefits in most cases are eligible for Pell grants, students loans, BIA assistance, etc. However, we must look at the fact that the majority of these resources are used to pay for the costs associated with education (tuition, student fees, books, lab fees, etc). The reality is that monthly rent and household costs (telephone, heat and electricity) exceed the monthly AFDC cash benefits. Therefore, as in my case, as well as a majority of other students, the small remaining portion of my semester student loan was consistently used to cover my family's living expenses that were not covered by welfare benefits. Nowhere in a students' budget is there room for extravagancies.

Another argument I have heard over and over again is, "I had to work my way through college, why should I (taxpayer) pay for low-income individuals to go to school?" I understand that argument as well. However, with that argument there seems to be very little consideration of the work involved in raising a family as a single parent. As each of you reflect upon your college experience, think about the difficulty of working a minimum wage job, attending school full-time, juggling household chores/responsibilities, as well as finding the energy to interact and attend positively to the never-ending demands of children. Amidst these challenges, many women have had the foresight and knowledge to see that the short-term investment of energy and concentration required to earn a college degree will lead to long-term stability and independence that are only to be found in secure employment in the primary labor market.

Many individuals have stated to me and other women I have known on AFDC, "Going to school while you are on welfare shows that you are not trying to take advantage of the system. I am glad there are people like you who are actively trying to improve their lives and get off the system." So yes, many Montana citizens think that the welfare system is designed as a short-term safety net, while many other Montana citizens are more than happy to see individuals pursue higher education while receiving benefits.

It has been argued that students can be reasonably expected to provide for their own child care needs through creative solutions. This argument fails to consider the difficulty of

finding a stable and safe environment in which we can leave our children. How many of you would trust your child with a mere acquaintance? How many of you have family members who can take on the full-time care of a child while you work? How many of you have friends you can leave your child with for 40 hours per week without charging you for their time? Our children, as you know, are our most precious gifts. They are the reason we are on welfare, they are the reason we are pursuing post-secondary education, they are the reason we are willing to struggle. Our struggle is to one day provide for our children a standard of living above the poverty line. Yes, we can be creative in our solutions to child care; however, the expectation that full-time child care can be creatively pieced together without any sort of investment is very short-sighted and could ultimately be destructive to the safety and welfare of our children.

Those who do not support using child care funds for post secondary education activities argue that often times it takes longer than four years to complete a four-year degree. That is a reality, but it is inappropriate to imply that it takes welfare recipients longer than four years to complete a degree. There are many factors that contribute to all students not graduating within four years. One of the most obvious factors is the cutbacks taking place within the University system. These cutbacks result in fewer sections being offered to the students, yet the University increases its enrollment each year. Less sections, more students causes the completion of required courses to take a semester or two longer. Another reason it may take longer for students to finish a four year degree is due to indecisiveness about the field he/she would like to study. It has been my experience that non-traditional students are more likely to have a clear sense of what they wish to study and are more focused and goal-oriented than traditional students.

In my work with Missoula County's Post Secondary Education committee, we have developed a Post Secondary Education Screening Tool. The committee worked from the assumption that limited funding would be available for child care and that we must utilize a slot system and prioritize the number of individuals receiving child care funding for post secondary education. One of the largest barriers to post secondary education is funding for child care. Without child care funding, the post secondary option is closed to many individuals. However, the committee had been cognizant of the fact that funding is very limited. Therefore, in order to qualify for a post secondary education slot, the applicant must demonstrate: 1) thoughtful planning; 2) clear commitment; 3) strong motivation toward their educational goals; and 4) how those goals will help them achieve self-sufficiency. Upon completion of the screening packet, the Post Secondary Education Committee will have a product from each applicant which will help the committee evaluate the level of seriousness and consideration the applicant has put toward pursuing education. Through this screening process, the FAIM participant will have little opportunity to be indecisive about their educational goals; therefore, the likelihood of completing their education within the four-year time frame will be greatly increased.

In summary, I feel the Department's focus upon immediate employment fails to take into account the reality of the earning potential of women with a four year degree compared to

the earning potential of women with a high school diploma. Consider the following information found in Missoula County. JOBS participants average hourly wages are:

- \* \$10.83 with a four-year degree
- \* \$ 6.31 with a two-year degree
- \* \$10.56 with non-traditional training and placement
- \* \$ 5.61 with a high school diploma

Figures such as this demonstrate the importance of post-secondary education in helping women attain true self-sufficiency. Despite the obstacles of limited resources (money, time and energy) welfare recipients who attend and graduate from college can achieve what most other college graduates achieve---economic, personal and social independence. That in itself makes a strong case for a greater investment in the human capital of welfare recipients. Allowing child care funding for AFDC recipients who choose to pursue post-secondary education may be a longer term investment, but the yield on that investment is extraordinary.

*--The opinions expressed in these guest editorials are solely those of the authors and do not necessarily reflect the views of this newsletter or the Department of Public Health and Human Services.*

Kim Brown, Welfare Reform Specialist

In the course of our daily work, Public Assistance Bureau staff receive numerous questions concerning welfare reform from across the state. As a regular part of the FAIM newsletter, we share those questions and their answers with a large audience of readers interested in welfare reform.

(1) Are there any changes to Medicaid coverage under FAIM?

- *There are no changes under FAIM in the Medicaid service coverage available for children, pregnant women, the elderly or the disabled.*

*However, FAIM requires AFDC-related Medicaid adults (generally those considered employable and able-bodied) to:*

(A) participate in a Health Maintenance Organization (HMO) in the geographic areas where an HMO is available, and  
(B) offers those adults a basic Medicaid package which excludes dental/denturists, eyeglasses/optometric services, durable medical equipment, personal care attendants, and hearing aid/audiology services. Participation in "Passport to Health", Montana's managed care program, will be mandatory for basic Medicaid recipients in areas where no HMO is available.

(2) Is college work study an allowable Family Investment Agreement activity? What about in the Job Supplement Program—can we pay JSP child care for college work study hours?

- As with other potential activities, communities may decide whether or not college work study will be an allowable Family Investment Agreement activity in Pathways and the Community Services Program.

*With respect to the Job Supplement Program, work study is considered financial aid, not employment. Therefore, JSP child care cannot be paid for college work study hours.*

(3) Is anyone reviewing the Community Operating Plans before counties implement FAIM?

- The FAIM Statewide Advisory Council reviews every Community Operating Plan prior to FAIM implementation in that county. The Council then makes recommendations to the Department of Public Health and Human Services as to whether or not the plan should be approved. Additionally, the Council makes specific recommendations for improvement and shares innovative ideas found in the plan with all other counties in the state.

(4) We understand that the Family Investment Agreement (FIA) contains activities individually-tailored to the needs of the participant. However, we also understand all FIs contain certain standard, mandatory activities. What are those mandatory activities found in every FIA?

- The six standard mandatory activities found in every Family Investment Agreement are:
  - (A) cooperate with the Child Support Enforcement Division;
  - (B) ensure all children in the household receive all required health screenings and immunizations according to the Early and Periodic Screening, Diagnosis and Treatment (EPSDT) schedule;
  - (C) cooperate with Third Party Liability requirements;
  - (D) cooperate with Quality Control reviewers;
  - (E) accept and maintain employment as it becomes and remains available; and

(F) complete the FIA renewal at least every three months in Pathways or at least every six months in the Community Services Program.

(5) Is it true that a referral will be made to Child Protective Services every time a Pathways or Community Services Program recipient is sanctioned for noncompliance with Family Investment Agreement requirements?

- *House Bill 2 (the appropriations bill) passed by the 1995 Montana legislature requires that a notification be made to Family Services whenever an adult is sanctioned. The bill did not mandate that Family Services take specific action on the notification, however.*

We would like to thank you for sharing your questions and concerns. Please contact the DPHHS Public Assistance Bureau at (406) 444-5900 should you have further questions about Montana's welfare reform project.



We regret to report this will be the last issue of the FAIM newsletter. Due to a shift in job duties for many involved in its production, it will no longer be possible to put together a newsletter on a quarterly basis.

However, welfare reform news will now be available via the Department newsletter, *DPHHS News*. While space limitations will not enable us to give as much detailed information as was published in the FAIM newsletter, the Department newsletter will allow us to reach a much larger audience on a monthly basis.

In addition, welfare reform information will be delivered in other ways, such as the recent television public service announcements featuring Governor Racicot and DPHHS Director Peter Blouke, newspaper feature stories, and informational/training videos.

We hope you enjoyed the FAIM newsletter. Should you have questions about Montana's welfare reform project, please contact the DPHHS Child and Family Services Division, Public Assistance Bureau, at (406) 444-5900.

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#### FAIM Newsletter

The FAIM newsletter was produced by the Public Assistance Bureau of the DPHHS Child and Family Services Division.

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Comments or questions should be directed to: **Public Assistance Bureau-Division of Child and Family Services, Department of Public Health and Human Services, P.O. Box 8005, Helena, MT 59604 - Phone: (406) 444-5900, Fax: (406) 444-5956.**

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